



**LOS ANGELES COUNTY  
HOSPITALS AND HEALTHCARE DELIVERY COMMISSION**  
313 N. Figueroa Street, Room 1014 Los Angeles, CA 90012  
Ph: (213) 240-7988 Fax: (213) 482-3646

**COMMISSIONERS**

May 26, 2015

Stacy Rummel Bratcher, Esq.  
*Chair*

**Members:**

Hildegard B. Aguinaldo, Esq., M.P.H.  
Charles Aronberg, M.D.\*  
Faustino Bernadett, M.D.  
Diane R. Factor  
Bishop Henry Hearn  
Claude Martinez  
WN "Guy" McCloud, MHA, FACHE  
Geraldine Tevzian, R.D.H.\*  
Stanley M. Toy, Jr., M.D.\*  
Carl Westerhoff  
Rosemary Venegas, Ph.D.  
Marcy L. Zwelling-Aamot, M.D.\*

*Former Chairperson\**

**HEALTH FACILITIES**

*Hospitals:*

Harbor-UCLA Medical Center  
LAC+USC Medical Center  
Olive View UCLA Medical Center  
Rancho Los Amigos National  
Rehabilitation Center

*Multi-Service Ambulatory Care Centers:*

Martin Luther King, Jr. (MLK)  
Outpatient Center  
High Desert Regional Health Center

*Comprehensive Health Centers:*

Edward R. Roybal  
El Monte  
H. Claude Hudson  
Hubert H. Humphrey  
Long Beach  
Mid-Valley

Office of Health Integration  
c/o Sachi A. Hamai and Christina Ghaly, M.D.  
Kenneth Hahn Hall of Administration  
500 W. Temple Street, Room 726  
Los Angeles, CA 90012  
healthintegration@lacounty.gov

**Re: Proposed Creation of a Health Agency**

Dear Ms. Hamai and Dr. Ghaly,

The Hospital and Health Care Delivery Commission ("Hospital Commission") is grateful for the opportunity to submit its comments to you regarding the proposed creation of a health agency that would encompass the Departments of Health Services (DHS), Public Health (DPH), and Mental Health (DMH). After consideration of the Draft Report dated March 30, 2015, entitled "Response to the Los Angeles County Board of Supervisors regarding possible creation of a health agency," (the "Draft Report") and the remarks of Dr. Ghaly and other stakeholders at the Hospital Commission's public meetings on February 5, 2015, and May 7, 2015; the Hospital Commission has decided to support the concept of a health agency.

Before the County implements this concept, the Hospital Commission requests that the County conduct further analysis on the following issues, including further study of whether there are other options for integrating the work of these departments:

Should all DPH programs be included in the health agency?

Though all of the departments relate to "health" in a broad sense, the shared focus of the DHS and DMH on individual health is distinct from the DPH's focus on population health. The DPH's functions – restaurant inspections, water quality assurance, and emergency preparedness, to name a few – have little overlap with those of the DHS and DMH.

On the other hand, the DPH houses programs like the Substance Abuse Prevention and Control program (SAPC) which are centered on individual health care delivery and may already work hand-in-hand with physical and mental health providers. It may be advantageous to join the DHS, DMH, and programs like the SAPC while keeping other DPH programs separated.

Accordingly, the County must evaluate the utility of including the entirety of the DPH in a health agency. The County must similarly evaluate whether a health agency should incorporate other programs in- and outside of these departments unrelated to individual health care delivery (e.g., Sheriff's Medical Services Bureau).

Are there alternatives to a health agency model for exchanging data among these departments?

The DHS, DPH, and DMH will undoubtedly find value in one another's data. However, other means of sharing such data may be available outside of a health agency model which may require fewer resources and/or less structural change. The County must explore the feasibility of each of these alternatives prior to choosing a health agency model to facilitate the departments' exchange of data.

How will the divergence in the culture of care between the DHS and the DMH be reconciled in a health agency model?

The comments above do not assume that the DHS and DMH operate in lock-step with one another on every issue. To the contrary, the Hospital Commission is aware that the culture of care between the DHS and DMH often diverge, notably on the DHS' application of the medical home model and the DMH's application of the recovery model. Moreover, the Hospital Commission was informed that the DHS receives an annual budget of approximately \$4 billion, which is about \$1 billion more than the annual budget of the DPH and DMH combined.

The Hospital Commission is uncertain how the dynamics between these departments would change under a health agency, and most importantly, how patient outcomes could be expected to improve as a result. The County must identify and strive to preserve the things that work well in each department before imposing a structural change that may set each department back.

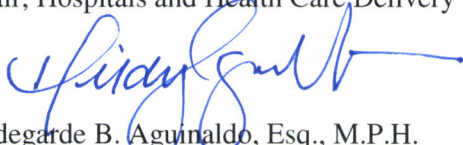
Will integration into a single health agency result in cost savings to the County of Los Angeles?

In our meetings with Dr. Ghaly and our review of the Draft Report, there was little, if any, consideration of how combining three large health agencies into one super-agency would result in cost savings to the County of Los Angeles or the taxpayers. In fact, at the Hospital Commission's May 7 meeting, Dr. Ghaly reported that cost savings were specifically not part of the analysis of the agency combination. As referenced above, the County spends approximately \$7 billion on the three agencies. Certainly, there must be some redundancies in the administration of these agencies and/or economies of scale that can be recognized if three agencies are combined into one. The Hospital Commission's strong recommendation is that the County analyzes the potential cost savings and efficiencies that could result from an integrated agency.

We are hopeful that the County will thoroughly consider these comments and those of our colleague stakeholders in diligently evaluating the creation of a health agency. We look forward to continued dialogue with you on this issue.

Very truly yours,

Stacy Rummel Bratcher, Esq.  
Chair, Hospitals and Health Care Delivery Commission



Hildegard B. Aguinaldo, Esq., M.P.H.  
Member, Hospitals and Health Care Delivery Commission  
Chair, Ad Hoc Committee on Health Agency Integration